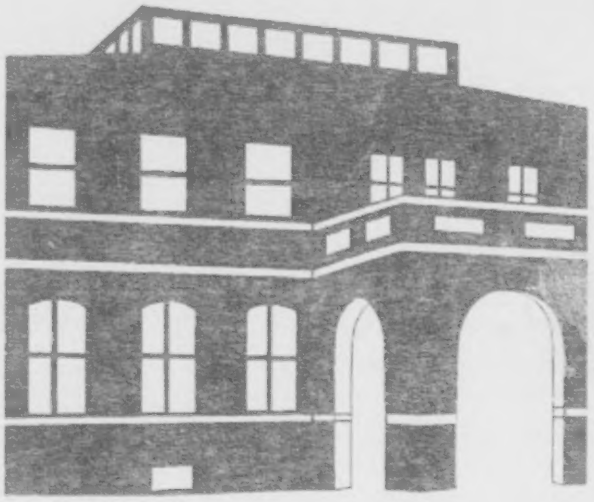
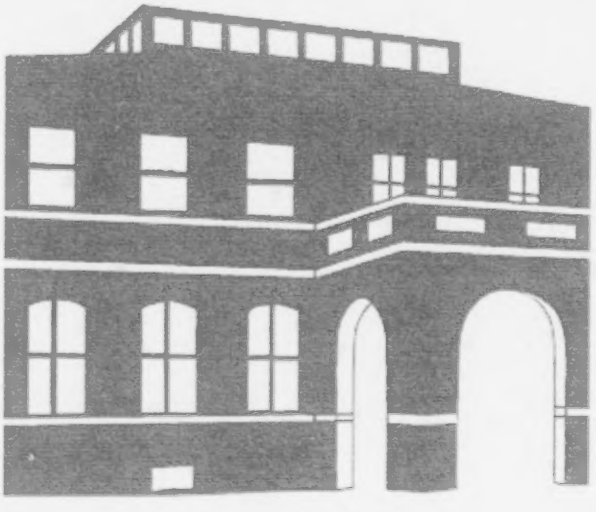


GOVERNMENT HOUSE FOUNDATION

ANNUAL REPORT
2011-2012



GOVERNMENT

HOUSE

FOUNDATION

Letters of Transmittal

The Honourable Vaughn Solomon Schofield
Lieutenant Governor of the Province of Saskatchewan

Your Honour:

It is my privilege to submit the Annual Report of The Government House Foundation for the period ending March 31, 2012.

The Government House Foundation has sought out activities in the past fiscal year which support their mandate to preserve and enhance Government House, including its museum and heritage property, as well as to promote public awareness of the historical, educational and cultural value of the property.

Respectfully submitted,

Kevin Doherty
Minister Responsible for
The Provincial Capital Commission

GOVERNMENT
HOUSE
FOUNDATION

The Honourable Kevin Doherty
Minister Responsible for the Provincial Capital Commission
Room 38 - Legislative Building
REGINA SK S4S 0B3

Minister Doherty:

It is my pleasure to submit the Annual Report of the Government House Foundation for the period ending March 31, 2012.

The Government House Foundation Board of Trustees continues to focus their time towards activities which will assist in the renewal, revitalization and promotion of the entire Government House heritage property.

Respectfully submitted,

Charles H. Knight
Chairperson, Board of Trustees

Introduction

The Government House Foundation (Foundation) was established by regulation under the authority of *the Historic Properties Foundation Act*, on January 21, 2002. The site in the City of Regina commonly known as Government House is the historic property for which the Foundation was established. It was designated as a National Historic Site in 1968 and as a Provincial Heritage Property on August 26, 1981.

A Canadian Treasure

Government House is a National Historic Site and Provincial Heritage Property and is truly a Canadian treasure. Built in 1891, it is a defining element of the province's beginnings and important role in the Saskatchewan story, providing insight into the unique history of our province. This grand building first served as the official residence of the Lieutenant Governor of the North-West territories. Restored to the period of Lieutenant Governor Amédée Forget, who held office from 1898-1910, the museum offers a glimpse of life at Government House in the early 20th century.

Our Goal

The goal of the Government House Foundation is to preserve and enhance the Government House Heritage Property by promoting public awareness of its character, setting and décor, the historic and cultural values, significant events in the governance of Saskatchewan and the history of the province itself. To enable the Foundation to carry out this goal it must seek and obtain gifts, grants, bequests, donations and other funds and property.

Our Objective

Government House is an educational and historical resource for all of Canada. The Government House Centennial Project and subsequent rehabilitation of the Edwardian Gardens has continued to contribute towards exciting growth and development of Government House and the surrounding grounds. The commencement of the Government House Revitalization Project will ensure that the site remains a destination of choice for the people of Regina, Saskatchewan, Canada and the international community.

Our Focus

With the completion of the Government House Centennial Project and rehabilitation of the Edwardian Gardens, the Government House Foundation has now turned their focus towards the on-going renewal, revitalization and promotion of the entire Government House heritage property. The Foundation main activity in the last few years has been providing support to a number of youth programs which educate Saskatchewan youth on the Government House heritage property.

Figure 1 – Visitor Experience Hosts welcoming visitors to Government House in Ceremonial Circle.

What We Achieved in 2011-12

Youth Mentorship Program

This year the Foundation supported the third offering of The Youth Mentorship Program. The Board of Trustees has committed long-term support of the Youth Mentorship Program administered by the Office of the Provincial Capital Commission. In addition to the funding received Cameco Corporation the Foundation has received funding from the Ministries of Education and First Nations and Métis Relations. On an annual basis now, northern students are brought to the capital city to participate in a number of learning ventures not normally available to them. This years activities were held in Regina and surrounding areas from May 8 to 11, 2011 with 18 northern high school students participating from Fond du Lac, Turnor Lake, Stanley Mission and Pinehouse Lake.

Figure 2 – Students from the 2011 Youth Mentorship Program meet with Government House Foundation Board of Trustee members and Members of the Legislative Assembly at the annual luncheon held at Government House.

This year's planned activities provided the northern students an opportunity to meet the Lieutenant Governor, the Premier and Speaker, Cabinet Ministers and their MLAs.

Figure 3 – Photos after breakfast with His Honour, The Honourable Dr. Gordon Barnhardt, Lieutenant Governor of Saskatchewan in the museum at Government House.

Figure 4 – Visiting with The Honourable Brad Wall, Premier of Saskatchewan in his office.

They toured the Legislative Building, Government House, as well as the RCMP Training Academy. The students toured the University of Regina campus, stayed in residence and visited the First Nations University of Canada.

Figure 5 – Students on a tour of the RCMP training academy.

Figure 6 – Students visiting the First Nations University in Regina.

They traveled to the Beaver Creek Ranch and Horse Centre where they participated in a Leadership Development course and attended presentations by Health and Environment officials on careers in the public service.

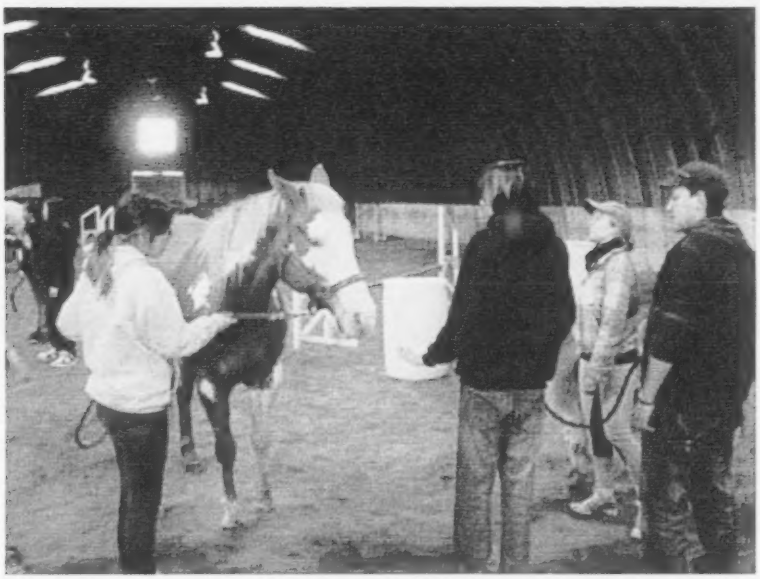


Figure 7 – Working with horses at the Beaver Creek Ranch.

The Foundation has secured additional private funding to offer the Youth Mentorship Program for several years to come. Students and teachers alike have been very positive in terms of the educational and learning value of the program.

Food Service – "Butler's Pantry"

The Foundation continued with their support of the food service initiative known as "Butler's Pantry at Government House" during the summer months of 2011. This year the food service provided light lunches, refreshments and picnic baskets allowing families to enjoy an outdoor lunch in the Edwardian Gardens. The food service was again a very successful, value-added offering to the visitor experience at Government House. The Foundation plans to continue their support of the food service at Government House in future years as part of the renewal and revitalization of the property.

Figure 8 – Family picnic provided by Butler's Pantry.

Our Future Plans

The Government House Foundation has secured several sources of funding which will allow for the continued support of the Youth Mentorship Program. The Foundation will also be supporting in the coming year the Capital Connections Program at Government House. The purpose of the Capital Connections Program is to educate Saskatchewan youth on the history of our province. The key focal points of the program are educating youth regarding Government House and the Legislature.

Board of Trustees

The Government House Foundation Board is responsible for the administration of the Foundation. Trustees of the Foundation are appointed by the Lieutenant Governor in Council. The trustees represent business, community, and government interests from across Canada, signifying the national importance of the Government House. As of March 31, 2012, the Board of Trustees was comprised of the following members:

Government House Foundation Board of Trustees

Patron	**His Honour the Honourable Dr. Gordon L. Barnhart, S.O.M.,** Lieutenant Governor of Saskatchewan
Chairperson	**Charles H. Knight,** Chief Executive Officer Denro Group of Companies, Regina
Vice-Chairperson	**Fredrick D. (Rick) Mantey,** Cabinet Secretary Executive Council and Office of the Premier, Regina
Secretary-Treasurer	**Wanda Lamberti,** Executive Director Central Management Services Office of the Provincial Capital Commission, Regina
Trustees	**The Honourable A. Raynell Andreychuk,** Senator Regina and Ottawa
	Dean Burns, Barrister and Solicitor Calgary
	Paul J. Hill, Chairman, President, and Chief Executive Officer, The Hill Companies, Harvard Developments Inc., Regina
	Elaine Giroux-Sylvestre, President and Member Government House Historical Society, Regina
	F. William Johnson, Q.C., Barrister and Solicitor Regina
	Jacqui Shumiatcher, S.O.M., LL.D., Regina

Honorary Trustees	**The Honourable Dr. Sylvia O. Fedoruk, O.C., S.O.M** Saskatoon
	The Honourable Dr. Lynda M. Haverstock, C.M., S.O.M. Regina
	Joyce Johnson on behalf of **The Honourable Frederick W. Johnson,** Regina
	The Honourable Pamela Wallin, O.C., S.O.M., Senator Ottawa
	Ann Wiebe on behalf of **The Honourable J.E.N. (Jack) Wiebe** Swift Current

Supplementary Financial Information

Personal Services

No individuals received payments for salaries, wages, honorariums, etc.

Supplier Payments

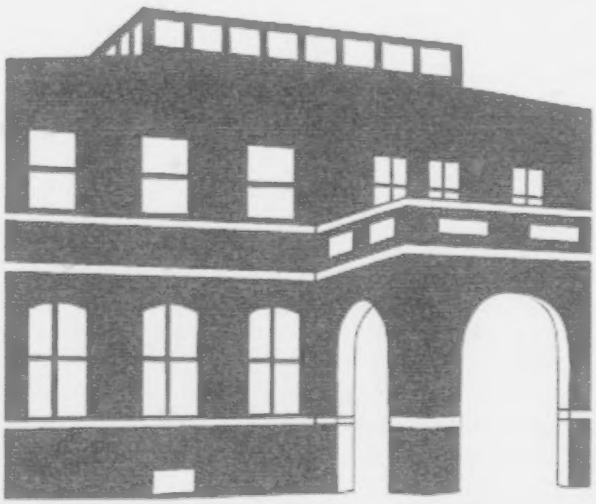
No supplier payments greater than $50,000.

Where to Obtain Additional Information

For further information about the Government House Foundation or to make a donation please contact us:

Executive Director
Government House
Telephone: (306) 787-5720

Government House Foundation
Government House
4607 Dewdney Avenue
Regina SK S4T 1B7



GOVERNMENT HOUSE FOUNDATION

Financial Statements
March 31, 2012

GOVERNMENT HOUSE FOUNDATION

Management's Responsibility for Financial Statements

The management of the Government House Foundation is responsible for the preparation and presentation of the financial statements. These statements have been prepared in accordance with generally accepted accounting principles for the public sector in Canada, consistently applied using management's best estimates and judgments where appropriate. Management is responsible for the reliability and integrity of the Financial Statements and other information in this Annual Report.

Management maintains a system of internal controls to ensure the integrity of information that forms the basis of the Financial Statements. The internal controls provide reasonable assurance that transactions are executed in accordance with proper authorization, that assets are properly guarded against unauthorized use and that reliable records are maintained.

The Provincial Auditor has audited the Financial Statements. Her report to the Members of the Legislative Assembly, stating the scope of her examination and opinion on the Financial Statements, appears within this report.

On behalf of Management:

Charles H. Knight
Chairperson

W. Lamberti
Wanda Lamberti
Secretary - Treasurer

PROVINCIAL AUDITOR
of Saskatchewan

INDEPENDENT AUDITOR'S REPORT

To: The Members of the Legislative Assembly of Saskatchewan

I have audited the accompanying financial statements of Government House Foundation, which comprise the statement of financial position as at March 31, 2012 and the statements of operations and accumulated surplus, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards for Treasury Board's approval, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Government House Foundation as at March 31, 2012, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Regina, Saskatchewan
June 18, 2012

Bonnie Lysyk, MBA, CA
Provincial Auditor

1500 Chateau Tower - 1920 Broad Street Regina, Saskatchewan S4P 3V2
t 306.787.6398 f 306.787.6383 e info@auditor.sk.ca
www.auditor.sk.ca

GOVERNMENT HOUSE FOUNDATION
Statement of Financial Position
As at March 31, 2012
(in dollars)

	2012	2011
Financial Assets		
Cash due from General Revenue Fund (*note 3*)	63,048	110,056
Grants receivable	47,000	
Interest receivable	166	316
Total Financial Assets	110,214	110,372
Liabilities		
Accounts payable and accrued liabilities	13,565	49,472
Deferred revenue (*note 4*)	12,949	18,983
Total Liabilities	26,514	68,455
Net Financial Assets	83,700	41,917
Accumulated Surplus	83,700	41,917

The accompanying notes are an integral part of these financial statements.

GOVERNMENT HOUSE FOUNDATION
Statement of Operations and Accumulated Surplus
For the year ended March 31, 2012
(in dollars)

	Annual Budget (*note 6*)	2012	2011
Revenue			
Grant	8,500	43,500	23,000
Donations		7,100	
Restricted contributions (*note 4*)	18,500	18,034	32,472
Food service	4,000	3,465	3,626
Interest	500	780	1,351
Total Revenue	31,500	72,879	60,449
Expense			
Food service	4,000	3,833	4,621
Meetings	100	148	53
Printing and courier	300	581	252
Total Operating Expense	4,400	4,562	4,926
Excess of revenue over operating expense	27,100	68,317	55,523
Government House Revitalization Project (*note 5*)			(134,425)
Celebrate Canada Program			(32,472)
Youth Mentorship Program (*note 4*)	(27,000)	(26,534)	(11,254)
Surplus/Deficit	100	41,783	(122,628)
Accumulated Surplus, Beginning of year	41,917	41,917	164,545
Accumulated Surplus, End of Year	42,017	83,700	41,917

The accompanying notes are an integral part of these financial statements.

GOVERNMENT HOUSE FOUNDATION
Statement of Cash Flow
For the year ended March 31, 2012
(in dollars)

	2012	2011
Operating Activities		
Surplus/Deficit	41,783	(122,628)
(Increase) decrease in receivables	(46,850)	309,759
Decrease in accounts payable and accrued liabilities	(35,907)	(191,790)
Decrease in deferred revenue	(6,034)	(32,472)
Cash Used for Operating Activities	(47,008)	(37,131)
Decrease in Cash	(47,008)	(37,131)
Cash, beginning of year	110,056	147,187
Cash, End of Year	63,048	110,056
Cash consists of:		
Cash due from General Revenue Fund	63,048	110,056

The accompanying notes are an integral part of these financial statements.

GOVERNMENT HOUSE FOUNDATION
Notes to the Financial Statements
As at March 31, 2012
(in dollars)

1. Authority

The Government House Foundation (Foundation) was established on January 21, 2002 by The Government House Foundation Regulations and falls under the authority of *The Historic Properties Foundations Act*. Government House was designated as a Provincial Heritage Property on August 26, 1981.

The mandate of the Foundation is:

a) To preserve and enhance the Government House; and

b) To promote public awareness of:

- the character, setting and decor of the Government House;
- the historic and cultural values of the Government House;
- the significant events in the governance of Saskatchewan; and
- the history of Saskatchewan generally.

Funding for the Foundation is obtained primarily through gifts, grants, bequests, donations and interest revenue.

2. Significant Accounting Policies

These financial statements are prepared in accordance with generally accepted accounting principles for the public sector as recommended by the Canadian Public Sector Accounting Board. A statement of net debt has not been prepared as the information is readily determinable from the other statements. The following accounting policies are considered significant:

a) Revenue

Grants

Government grants are recognized as revenue when the transfer is authorized, eligibility criteria have been met and transfer stipulations have been fulfilled.

Effective April 1, 2011, the Foundation early adopted Section PS 3410 Government Transfers on a prospective basis, without restatement of 2011 comparative figures. No adjustments were required from the adoption of this standard.

Donations

Donations are recorded as revenue in the fiscal period in which they are received by the Foundation. Donations-in-kind are recorded at fair market value on the date of their donation.

Restricted contributions

Externally restricted contributions are deferred and recognized as revenue in the year expenses are incurred for the specified purpose.

Food Service

During the year the Foundation supported a food service program at Government House known as the "Butler's Pantry". The program was operated on a cost recovery basis and revenue is recognized as received.

Interest revenue

Interest revenue is recorded in the year received or receivable.

b) Use of Estimates

The preparation of financial information requires management to make estimates and assumptions that affect reported amounts of assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the year. Actual results could differ from those estimates.

c) Fair Value

The Foundation's financial instruments include cash due from the General Revenue Fund, grants receivable, interest receivable, and accounts payable and accrued liabilities. The carrying amount of these instruments approximates fair value due to their immediate or short-term maturity. These instruments have no interest or credit risk.

3. Cash Due from General Revenue Fund

The Foundation's bank account is included in the Consolidated Offset Bank Concentration arrangement for the Government of Saskatchewan. The Foundation earns interest on a quarterly basis, calculated on the Government's thirty-day borrowing rate and the Foundation's average daily bank account balance. The Government's average thirty-day borrowing rate for the year was 1.05% (2011 – 0.80%).

4. Deferred Revenue

Deferred revenue represents externally restricted contributions and certain grants received that can only be used for specified purposes.

	Youth Mentorship Program	Diamond Jubilee Initiative	2012	2011
Deferred revenue, beginning of year	18,983		18,983	51,455
New funds:				
Canadian Heritage	-	12,000	12,000	-
	18,983	12,000	30,983	51,455
Use of funds	(18,034)	-	(18,034)	(32,472)
Deferred revenue, end of year	949	12,000	12,949	18,983

The Youth Mentorship Program is administered by the Office of the Provincial Capital Commission and provides northern students the opportunity to travel to their Capital city and participate in a number of learning ventures that would not otherwise be available to them.

The Diamond Jubilee Exhibit is an exhibit being developed at Government House to celebrate the Queen's Diamond Jubilee.

5. Government House Revitalization Project

In the 2009-10 fiscal year the trustees approved the use of funds from the Government House Centennial Project to engage a consultant to develop a revitalization plan for Government House. The project was announced on February 3, 2009 and was designed to capture the past/present/future of Government House in a fun and educational environment that holds appeal for all generations. The Foundation also received grant funding from the Office of the Provincial Capital Commission to assist with travel costs associated with the project.

6. Budget

The 2011/12 budget was approved at the Annual General Meeting by the Board of Trustees on June 16, 2011.

7. Related Party Transactions

The Foundation is related to all Saskatchewan Crown agencies such as ministries, corporations, boards and commissions under the common control of the Government of Saskatchewan; Saskatchewan Crown agencies; non-Crown enterprises that the Government jointly controls or significantly influences; and trustees and their corporations over which they have significant control. The Foundation's bank account is included in the Consolidated Offset Bank Concentration arrangement for the Government of Saskatchewan.

Routine operating transactions with related parties are recorded at the rates charged by those organizations and are settled on normal trade terms. Provincial Sales Tax to the Saskatchewan Ministry of Finance is included in the cost of the related purchases.

The Office of the Provincial Capital Commission provided administrative services at no charge to the Foundation.

(in dollars)	2012	2011
Interest receivable	166	316
Grants receivable	35,000	
Grant revenue	43,500	23,000
Interest revenue	780	1,351
Printing and courier	309	